

# USIJ

Alliance of U.S. Startups and Inventors for Jobs

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## **American Start-ups & Inventors Launch New Alliance to Ensure their Voices are Heard in Patent Debate, Protect Innovation & Jobs**

*'U.S. Start-ups and Inventors for Jobs' calling for Senate hearing featuring testimony from inventors, start-ups and universities*

WASHINGTON – A group of American start-ups and inventors today launched a new alliance – **U.S. Start-ups and Inventors for Jobs (USIJ)** – to ensure their voices are heard as Congress continues to debate significant reforms to the U.S. patent system. Members of the new alliance are deeply concerned that legislation currently before the Senate, which supporters claim to be anti-troll, is actually anti-inventor, anti-start-up, and anti-jobs and will tremendously harm the development of the next wave of innovations from U.S. start-ups.

To date, start-ups and inventors have been excluded from the patent debate in Congress – they were not invited to testify during the recent House consideration of H.R. 3309, The Innovation Act, despite repeated appeals for their voices to be heard. In addition, a Senate Judiciary Committee hearing on patent issues scheduled for this week does not include any witnesses representing start-ups or small inventors. The USIJ sent a [letter to Committee Chairman Patrick Leahy and Ranking Member Chuck Grassley](#) today requesting that the committee hold a second hearing in January with testimony from inventors, startups, and universities who rely on the invention protections in our patent system to justify investment in the high risk, big innovations that drive our economy.

USIJ members – which represent more than 40 life sciences and high-technology companies – come from a long line of inventors, start-ups, and research institutions who are inventing the technologies that will create our future GDP and job growth. They are behind innovations that touch people's lives daily – from the LED displays we all use in our smart phones and TVs, to innovations that restore vision, hearing, and reduce the risk of surgery, impacting the lives of Americans each and every day.

"We are the small companies that create the revolutionary new breakthroughs. To create the next big thing, we need a strong patent system to attract investors, create jobs, and protect the products that enhance people's daily lives," said **Earl Bright, USIJ Advisory Committee Chairman**. "Congress is rushing to pass fundamental changes to the patent system without providing an opportunity to hear from the start-ups, inventors, and universities that rely on the system to create some of our nation's most important new innovations. Legislation pending in the Senate, as currently drafted, will severely undermine start-ups' ability to raise capital to fund their companies and new inventions. Investors will not make the major investments needed to bring the next level of innovation forward without the promise of strong patent

protection. Simply put, our nation's next big innovations that will refresh and grow our economy will never get off the ground.”

Studies have shown that the risk-taking start-ups of today are the growth sources of tomorrow, not the giant, market-dominating companies that are currently pushing for the pending patent legislation.<sup>12</sup> Start-ups are the engines of growth for the future through their virtuous cycle of positive disruptive innovation. This cycle allows the small companies of today to grow into the big companies of tomorrow or supply the products that big companies sell, while maintaining U.S. jobs and value. The foundation of this cycle is the United States patent system.

“A small handful of very large tech companies claim that this legislation will stop bad behavior from patent trolls, but the unfortunate reality is that, as drafted, it will prevent inventors, startups, and universities from gaining fair, timely and affordable access to our courts when their inventions are copied,” said **Charles Giancarlo, USIJ Advisory Committee Member and former Executive Vice President and Chief Development Officer of Cisco Systems.** “This is simply a far-reaching denial of the justice system for the small innovators who are our country’s most important sources of new jobs growth.”

***U.S. Start-Ups and Inventors for Jobs (USIJ)*** is an alliance across multiple industries of more than 40 companies, inventors and research institutions that have come together in the interest of safeguarding our nation’s innovation ecosystem that is the best in the world. To learn more about USIJ and this critical issue: [www.usij.org](http://www.usij.org).

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<sup>1</sup><http://papers.ssrn.com/sol3/papers.cfm?abstract id=2310617>

<sup>2</sup><http://www.kauffman.org/what-we-do/research/firm-formation-and-growth-series/the-importance-of-startups-in-job-creation-and-job-destruction>